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Collective Bargaining Agreements

7-1-1984

Chicago area automobile dealers and Automobile Mechanics, AFL-CIO, Local 701 (1984)

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Chicago area automobile dealers and Automobile Mechanics, AFL-CIO, Local 701 (1984)

Location

Chicago, IL

Effective Date

7-1-1984

Expiration Date

6-30-1987

Number of Workers

2900

Employer

No employer specified

Union

Automobile Mechanics

Union Local

701

NAICS

44

Sector

P

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Comments

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AGREEMENT

This Agreement made and entered into by and between _____, hereinafter called the Employer and AUTOMOBILE MECHANICS' LOCAL NO. 701, International Association of Machinists and Aerospace Workers, AFL-CIO, of Chicago and vicinity, hereinafter called the Union. It is negotiated for the purpose of specifying wage schedules, hours of work, conditions of employment, adjustment of complaints between the Employer and his mechanics, body men, painters, apprentices and semi-skilled workers (hereinafter some times referred to as "employee" or "employees") and for the further purpose of preventing strikes, lockouts and other disturbances, thus insuring and perpetuating harmonious relations between the Employer and the Union.

WITNESSETH:

ARTICLE I

UNION RECOGNITION:

Section 1. The Employer recognizes the Union as the exclusive bargaining agency for all mechanics, bodymen, painters, apprentices and semi-skilled workers employed by him.

Section 2. UNION MEMBERSHIP REQUIREMENTS: (a) The Employer agrees that all mechanics, bodymen, painters, apprentices and semi-skilled workers employed by him shall become members of the Union on or after thirty-one (31) days of the date of the execution of this Agreement and all employees of these classifications shall, as a condition of employment, remain members of the Union in good standing for the duration of this Agreement.

(b) All new employees of the aforesaid classifications hired after the date of the execution of this Agreement shall on or after thirty-one (31) days of employment as a condition hereof, become and remain members of the Union in good standing for the duration of this Agreement. During this probationary period they shall be eligible for all provisions of this Agreement, except seniority status.

(Cont'd.)

- 1 -

ART. I - Cont'd.
Union Recognition
Section 3

Section 3. DUES REMITTANCE: The Employer agrees to deduct regular Union dues, initiation fees and reasonable assessments from wages due members of the Union on the first day of each month who have signed proper authorization cards, and is encouraged to forward such amount to the Union by the 15th day of the current month. The Union will supply the Dealer with signed individual checkoff authorization cards.

ARTICLE II

CLASSIFICATIONS

Section 1. Mechanics. It is mutually understood and agreed that the term "Mechanic" shall apply to any person of skill satisfactory to the Employer who repairs automobiles or parts thereof and shall also apply to any person who uses any piece of equipment, that is, mechanical, electrical or any other method used in diagnosing, checking, and/or inspection of an automobile or parts thereof. It is further understood however, that employees working on or in the Employer's new and minor used car reconditioning departments shall not necessarily be deemed journeyman mechanics.

Section 2. Bodymen or Painters. The term "Bodyman or Painter" shall apply to any person who either paints or performs metal work in the repair or reconditioning of automobile bodies or parts thereof.

Section 3. Semi-Skilled Workers. The term "Semi-Skilled Worker" shall apply to any person involved in the repair of automobiles or the parts thereof or who shall grease automobiles or parts thereof or who shall be engaged in new car make-ready, minor inspections, adjustment and/or repair, minor used car reconditioning. It is understood that semi-skilled workers shall not be permitted to perform work requiring a skilled mechanic.

Section 3-A. Representative List of Duties that may be performed by Semi-Skilled Mechanics as defined in Article II, Section 3.

1. Chassis and body lubrication.
2. Transmission, axle, engine oil and engine oil filter replacement
3. Wheel rotation, wheel bearing repacking (excluding disc brake).
4. Air cleaner and element cleaning or replacement.
5. Fuel filter cleaning or replacement of filter.
6. All water hose replacement including thermostats.
7. Emission control system P.C.V. only, cleaning or replacement.
8. Exterior or interior lens or bulb replacement and door courtesy light switches except where other components must be removed.
9. Battery and/or cable replacement or cleaning.
10. New car pre-delivery and minor adjustments and accessories installation, (excluding (example:) front end adjustment and A.C. installation).

(Cont'd.)

ART. II - Cont'd.
Section 3-A

11. Standard shock replacement, excluding air operated shocks.
12. Rattles, squeaks, door and window adjustments and alignments, wind noises, water and dust leaks.
13. External drive belt adjustments or replacements.
14. Windshield washer pump and/or blade cleaning or replacement providing pump is not a part of wiper motor assembly.
15. Flushing and refilling cooling systems.
16. Speedometer cable only, lubrication or replacement providing cable can be removed without disassembling or removing any other component.
17. Horn, horn relay, horn ring or button replacement provided it can be removed without disassembling or removing any other component.
18. Headlamp alignment.
19. Door and door lock adjustments and/or striker adjustments excluding power or electric lock assembly.
20. Exhaust system replacement or repair. (Excluding exhaust manifold or heat riser.) (Providing no journeymen are idle.)
21. Replacement of cigarette lighter sockets and elements.
22. Turnsignal flasher and emergency flasher unit. Replacement only.
23. Fuse replacement.
24. Radio, speaker, antenna, removal and replacement providing major components need not be removed.
25. Clock removal and replacement.
26. Exterior and interior mirror replacement.
27. Door weatherstrip replacement.

It is agreed that only journeymen will do technical work, examples being, tune-up, brake work, major electrical, transmission adjustment, etc.

Section 4. Apprentices. The term "Apprentice" shall apply to any person who shall contract with the Employer for a specified period of time for the purpose of learning the trade of automobile mechanic. The Employer agrees to the principle of training for the apprentice who shall during his four year apprenticeship be put on all kinds of work commonly known as mechanic's work, body or paint work, so that at the end of his apprenticeship he shall be a full fledged qualified journeyman mechanic, bodyman or painter as the case may be.

Section 5. The term "Mechanic" as used in Section 1 of this Article shall not include service managers, service writers or supervisors, as defined in the Taft-Hartley Act as amended.

Section 6. Any work not falling within one of the above classifications will be classified and a rate for that work shall be established which is mutually satisfactory to the Employer, the Union and the employee involved.

ARTICLE III

SENIORITY

Section 1. Seniority, as the term is used herein, means the length of continuous service of any employee as defined in Article II, from the date of last employment by the Employer. Seniority shall be applied by classification and department, restricted to service, body shop and internal (composed of new and used car departments only). The classifications covered by this Agreement are defined in Article II.

Section 2. Layoff and Recall. In the event of a decrease or an increase in the number of mechanics, apprentices and semi-skilled workers employed by the Employer the following factors shall govern:

- (A) In case of shop layoffs where two employees are capable of doing the job, the one with less seniority shall be laid off first and shall be called back in reverse order of that in which he was laid off.
- (B) Where an employee is not able to earn his guarantee regularly due to verified extenuating circumstances, the Union and the Employer will discuss the matter with the view of reducing that employee's guarantee so that, if possible, he may continue to work rather than be subject to termination after issuance of written warning notices. This agreement of reduced guarantee shall be in writing.

Section 3. Promotions. Promotions shall be made by the Employer within his sole discretion but in making promotions, he shall consider seniority as well as ability, efficiency, knowledge, skill and training. If an employee covered by this agreement is promoted to a capacity excluded from the bargaining unit and remains outside the unit in excess of six (6) months and he is returned to the unit his seniority for lay-off purposes shall begin the date he returns to work within a classification covered by this agreement.

Section 4. Break in Seniority. Voluntarily leaving the employ of the Employer, discharge for cause or absence in excess of six (6) months as a result of a layoff shall break the seniority of any employee, except where an authorized leave of absence has been granted by the Employer in writing and a current copy of such authorization sent to the Union. However, individual consideration may be given to the case where such unemployment has been caused by sickness or disability. Reinstatement during a layoff of six (6) months or less, or any authorized leave of absence shall restore previous seniority rating.

Section 5. Probation. Employees covered by this agreement shall be considered probationary employees until they have been employed thirty-one (31) days. During this probationary period they shall be without seniority status but if their employment continues beyond thirty-one days their seniority shall commence as of the date of hire by the Employer.

(Cont'd.)

ART. III - Cont'd.
Section 5 - Probation

During this probationary period employees may be laid off or discharged at the sole discretion of the Employer and the same shall not constitute a grievance under the terms and conditions of this Agreement.

Section 6. Reporting After Recall. Employees covered by this Agreement who shall fail, without reasonable excuse, to report when called to work or who shall fail to report within three (3) working days after being notified to return after a layoff, and who do not within three (3) working days after being notified to return after a layoff period, present to the Employer a satisfactory reason for their failure to report, shall be considered as having voluntarily terminated their employment with the Employer.

Section 7. Re-employment. An employee having lost his seniority as a result of any of the above provisions, shall, if re-employed, be considered a new employee.

Section 8. The Employer shall make the decision as to whether or not an employee is capable of doing the job but his decision shall be subject to the complaint procedure of this Agreement.

Section 9. Discharge. See Article XIII, Sections 2 and 3, relative to discharge.

ARTICLE IV

WAGES - INCENTIVE

Section 1. Mechanics, bodymen, painters, apprentices and semi-skilled workers working on the incentive method of pay shall be compensated on the following basis:

All mechanical work performed on the basis of the following Sub-Section (A).

All body and paint shop work performed on the basis of the following Sub-Section (B).

Sub-Section (A) - Mechanical Work:

Effective July 1, 1984:

For all mechanical, accessories, assembly and grease work, there shall be a "hard copy" attached to all mechanical and other jobs when they go into work and shall show the time the employee is paid on. This time and/or fraction thereof shall be multiplied by a minimum of \$13.45 for the basis of compensation to the employee for work performed the first forty (40) hours of booked time in the work week. For all hours or part thereof booked over forty (40) in a work week, this time shall be multiplied by \$14.45.

(Cont'd.)

ART IV - Cont'd.

Sub-Section (A) - Mechanical Work

EFFECTIVE JULY 1, 1985, the \$13.45 rate shall be increased to \$14.05 for the first forty (40) booked hours, and \$15.05 thereafter.

EFFECTIVE JULY 1, 1986, the \$14.05 rate for the first forty (40) booked hours shall be increased to \$14.65 and \$15.65 for all hours thereafter.

TRUCK WORK

For all work performed on trucks there shall be an additional fifty cents (50¢) per booked hour added to the above employee's weekly earnings. A truck example being - C30 and above, F350 and above, D300 and above, C3 and above, and all vehicles with 4 wheel drive, power take off, floating axles and any walk-in Van.

HOLIDAY PREMIUM PAY

Where the work week is reduced because of a holiday or holidays as per this contract the premium pay as specified in Article IV, Sub-Section (A), will be paid after 32 booked hours in that given work week providing the employee works the remaining scheduled work days during that work week unless excused by the Employer.

An employee working on the incentive basis shall be paid the minimum of one-tenth (1/10th) of one hour for making an oil change. This shall not apply to such work performed on the lubrication rack or such work connected with grease work.

All work on new and used car and truck reconditioning, and all factory warranty work shall be considered to be internal work. Such work, and work that is performed for police, city and any other contract work, shall be considered the same as factory warranty work and shall be compensated for on the incentive basis according to the time allowance in the printed "Manufacturer's Time Standard Manual".

Sub-Section (B) - Body and Paint Shop Work:

For all body and paint shop work there shall be a "hard copy" attached to the windshield on all jobs when they go into work and shall show the time and money the employee is paid on. The same shall apply for work done for the Employer (internal work). In addition, the Insurance Company's estimated time sheet showing the time and money for each operation shall be made available to Bodymen and Painters for the purpose of establishing that the Bodymen and Painters are being properly compensated.

(Cont'd.)

ART. IV - Cont'd,
Sub-Section (B) Body and Paint Shop Work

Effective July 1, 1983, incentive Bodymen and Painters shall be paid 50% of the highest and most prevalent insurance company rate paid by either Allstate Insurance Company or State Farm Insurance Company as of June 1, 1983, as certified by a mutually agreed upon independent accounting firm. This rate shall be increased by an additional .50¢ per hour and will be paid as a flat rate per insurance company hour for all body and paint work performed.

EXAMPLE: If the highest prevalent rate was determined to be by State Farm Insurance Company at \$16.00 per booked hour as of June 1, 1983, then the Bodymen and Painters would receive \$8.00 plus an additional .50¢ for a total of \$8.50 per booked insurance company hour on that job.

Where it is evident that the time is too low the employee shall have the right to punch in and keep track of the time for work performed on the job and shall be paid the journeyman's clock hour rate \$12.35 for each clock hour spent on the job. Effective July 1, 1985, this rate shall be increased to \$12.95. Effective July 1, 1986, this rate shall be increased to \$13.55.

Section 2. MANUFACTURER'S TIME STANDARD MANUAL

The manufacturer's original time standard manual for each make and year of car is the authorized manual for the purposes of this agreement.

Within ten (10) days of the execution of this agreement, the operational time standards in use by the Employer shall conform to the manufacturer's time standard manual. In the event the Employer on that date utilizes any operational time standards in excess of the manufacturer's time standard manual, he shall continue such excess time standards for the life of this agreement.

Should the Manufacturer's Time Standard Manual rates be revised to an extent sufficient to increase or reduce the earnings of mechanics under the Employer's incentive system, such increase or reduction shall be subject to re-examination and reasonable adjustment. Where the employees in one or more Dealerships complain that the time is too low due to the factory reducing the time allowances on any job or jobs and where the Union, after due check, finds they have a just complaint, the Union may request the Employer to have a time study of the job or jobs in question made in the Employer's shop by a factory engineer

Where it is evident that the time is too low the employee shall have the right to punch in and keep track of the time for work performed on the job and shall be paid the journeyman's clock hour rate of \$12.35 for each clock hour spent on the job. Effective July 1, 1985, this rate shall be increased to \$12.95. Effective July 1, 1986, this rate shall be increased to \$13.55.

ART. IV - Cont'd.
Manufacturer's Time Standard Manual

Section 3. When any journeymen shall be put on work that does not have a flat rate operation established on same, such work shall be flat rated by the Employer but in no case shall a journeyman be paid less than \$13.45 per booked hour. Where the employee disagrees with the employer's flat rated time he shall have the option to punch in as specified in Section 2. EFFECTIVE July 1, 1985, the rate shall be increased to \$14.05 per booked hour. EFFECTIVE July 1, 1986, the rate shall be increased to \$14.65 per booked hour.

Sub-Section (A)

Where there is work to be done in excess of the flat rate operation listed in the Manufacturer's Time Standard Manual, such work shall be paid for at the applicable rates as specified in Section 2 and 3.

Example: To remove and replace door trim is a flat rate operation and employees shall be paid on the time so listed. Where there is other work to be done, such as removing rattles and squeaks in the door, in conjunction with the operation, such work shall be paid for at the applicable rate for time so spent.

Section 4. Check or Inspection Work. Where the mechanic does check or inspection work and does not get the job immediately, he shall be paid at the mechanic's regular rate of \$13.45 per booked hour for such check or inspection work. Where the mechanic does check or inspection work and then gets the job, the first fifteen (15) minutes of check or inspection work need not be paid for by the Employer, providing such check or inspection work is an overlapping operation. EFFECTIVE July 1, 1985, the rate shall be increased to \$14.05 per booked hour, EFFECTIVE July 1, 1986, the rate shall be increased to \$14.65 per booked hour.

Section 5. Minimum Pay. Mechanics working on a flat rate shall be paid for one-half ($\frac{1}{2}$) hours' work where the total time on any total job ticket for customer work only is less than one-half ($\frac{1}{2}$) hour. This shall not apply to any Factory Warranty work or lubrication and oil changes.

Section 6. On "Specials" the mechanics shall be paid the appropriate time for the job in accordance with Article IV, Section 1.

Section 7. Major Repairs. "Major" repair work is to go through the line and is not to be done by employees in the semi-skilled classification.

ART. IV - Cont'd.

Section 8. Employees working on imported automobiles shall be guaranteed not less than the hourly rate for their wage classification while on such work. An imported automobile is one not built in the Continental United States and not franchised to be sold by the Dealer.

Section 9. Work Assignments. Work assignments shall be made as fairly as possible. Employees shall have priority of service at the parts department over outside customers. If inequities occur they shall be examined in accordance with procedures set forth in Article VIII of this Agreement. Employees may "team up" on jobs in the shop provided the men involved or who would be affected agree by a majority vote conducted under the auspices of the Union and the Dealer.

Section 10. Temporary Work. It shall be permissible when business is slack, for the Employer to assign men to work on work other than that which they are regularly classified where such work would not be hazardous for them due to lack of experience and training. When this occurs, the man so assigned shall receive the appropriate hourly rate for his normal classification. This may be done provided it does not create an infringement of the jurisdiction of another Union. Money earned under these circumstances shall be considered a part of the employee's regular flat rate earnings.

Section 11. Come-Back Work. Where an employee has done assigned work and through no fault of his own this work has to be done over, such employee shall be compensated for the time spent on such re-work at his regular rate of compensation.

Sub-Section A

If a job comes back within a period of thirty (30) days and it has to be done again because of the employee's fault, he shall do the job over without additional compensation, but such employee shall be entitled to the weekly guarantee as specified in Article V, Section 2. An employee required to perform come-back work away from the premises of the Employer shall be paid not less than the minimum hourly rate for time so spent. This shall be subject to review by the Union.

Section 12.

WAGES HOURLY EFFECTIVE JULY 1, 1984, hourly rated employees of all journeyman classifications including those who have been receiving in excess of the rates shown in the Agreement expiring June 30, 1984, shall receive sixty-five cents (.65¢) per hour increase making the

(Cont'd.)

ART. IV - Cont'd.
Section 12 - Wages Hourly

journeyman's minimum hourly rate \$12.35 per hour; in no case shall such employee receive less than a .65¢ per hour increase. Effective July 1, 1985, there shall be an additional sixty cents (60¢) per hour increase reflecting a minimum hourly rate of \$12.95 per clock hour. Effective July 1, 1986, there shall be an additional sixty cents (60¢) per hour increase reflecting a minimum hourly rate of \$13.55 per clock hour.

EXAMPLE: A journeyman mechanic being paid eleven dollars and seventy cents (\$11.70) per hour shall receive an hourly rate of \$12.35.

A journeyman mechanic being paid eleven dollars and seventy-one cents (\$11.71) per hour shall receive the sixty-five cents (.65¢) per hour increase, making an hourly rate of \$12.36.

EFFECTIVE JULY 1, 1985, the above hourly rate shall be increased sixty cents (.60¢) per hour.

EFFECTIVE JULY 1, 1986, the above hourly rate shall be increased by sixty cents (.60¢) per hour.

Section 13. Effective July 1, 1984, hourly rated employees in the semi-skilled classification, including those who have been receiving in excess of the rates shown in the Agreement expiring June 30, 1984, shall receive forty-five cents (.45¢) per hour increase making the semi-skilled employees minimum hourly rate \$7.90 per hour; in no case shall such employee receive less than a 45¢ per hour increase. Effective July 1, 1985, there shall be an additional 39¢ per hour increase reflecting a minimum hourly rate of \$8.29 per clock hour. Effective July 1, 1986, there shall be an additional 38¢ per hour increase reflecting a minimum hourly rate of \$8.67 per clock hour.

New hired semi-skilled workers - they will start at 50¢ per hour below the contract scale rate and receive the top rate after 6 months of employment.

Sub-Section A.

Any employee in this classification while engaged in minor used car preparation shall be paid a differential above the rate specified above which is satisfactory to the Employer and the employee, subject to review by the Union.

Section 14. Apprentice Rates. Apprentices shall be compensated at the hourly rate for the period of time served according to the following schedule:

ART. IV - Cont'd.
Section 14 - Apprentice Rates

July 1, 1984

1st six months	60% of \$12.35 or \$ 7.41 per Hour
2nd six months	65% of \$12.35 or \$ 8.03 " "
3rd six months	70% of \$12.35 or \$ 8.65 " "
4th six months	75% of \$12.35 or \$ 9.26 " "
5th six months	80% of \$12.35 or \$ 9.88 " "
6th six months	85% of \$12.35 or \$10.50 " "
7th six months	90% of \$12.35 or \$11.12 " "
8th six months	95% of \$12.35 or \$11.73 " "
Thereafter	100% of \$12.35 or \$12.35 " "

July 1, 1985

1st six months	60% of \$12.95 or \$ 7.77 per Hour
2nd six months	65% of \$12.95 or \$ 8.42 " "
3rd six months	70% of \$12.95 or \$ 9.07 " "
4th six months	75% of \$12.95 or \$ 9.71 " "
5th six months	80% of \$12.95 or \$10.36 " "
6th six months	85% of \$12.95 or \$11.01 " "
7th six months	90% of \$12.95 or \$11.66 " "
8th six months	95% of \$12.95 or \$12.30 " "
Thereafter	100% of \$12.95 or \$12.95 " "

July 1, 1986

1st six months	60% of \$13.55 or \$ 8.13 per Hour
2nd six months	65% of \$13.55 or \$ 8.81 " "
3rd six months	70% of \$13.55 or \$ 9.49 " "
4th six months	75% of \$13.55 or \$10.16 " "
5th six months	80% of \$13.55 or \$10.84 " "
6th six months	85% of \$13.55 or \$11.52 " "
7th six months	90% of \$13.55 or \$12.20 " "
8th six months	95% of \$13.55 or \$12.87 " "
Thereafter	100% of \$13.55 or \$13.55 " "

Apprentices who are hired at a starting rate which is higher than the rate for the first six months as shown above shall establish a position in the above scale according to the rate at which they were hired. From there on they shall be granted successive increases after each six months of employment according to subsequent progressions as outlined in the above scale.

EXAMPLE: Where an apprentice is hired at the third six month period of the apprentice schedule with credit for one year's experience or a starting rate of \$8.65 per hour, at the end of six months he will be increased to the next rate of the apprentice schedule and increases shall be progressive according to schedule until the journey-

(Cont'd.)

Section 14 - Apprentice Rates

man rate is reached. If the end of the six months period coincided with the new contract as of July 1, 1984, he will receive the apprentice scheduled increase plus the contract increase that coincides with the same period.

Section 15. Number of Apprentices. Apprentices shall be employed only in the ratio of not more than one (1) to each five (5) Journeyman mechanics in the Service Department and one (1) for each five (5) Journeyman Bodymen in the Body Shop Department. The Service Department and the Body Shop Department shall each be entitled to one (1) apprentice regardless of the number available under the ratios as set forth in each of the above Departments.

Section 16. Night Shift Premium. A night shift premium of ten cents (10¢) per clock hour shall be added to the earnings of those employees who work on a shift which begins before 6:00 a.m. or ends after 6:00 p.m. Such premiums shall not be paid to a day shift employee working overtime and being paid for such overtime.

Section 17. Classes of Instructions. All Journeyman mechanics and apprentice mechanics upon the request of the dealer shall spend a minimum of two days per year attending a school or training program designated by the employer. An employee who is requested to attend a class of instruction away from the shop shall, for the time so spent, be compensated at his regular hourly rate of pay for his respective classification.

EXAMPLE: For each major part of a full day spent at class of instruction the employee shall receive a full day's pay based upon eight (8) hours. For each major part of a half-day spent at class of instruction the employee shall receive one-half day's pay based upon four (4) hours.

Section 18. Switching - Hourly - Flat Rate. Where an employee is normally working on flat rate they shall not be arbitrarily switched to an hourly rate simply because they are temporarily working on Factory Warranty work or on work which is ordinarily flat rated. Also, where two or more men are working on the same kind of job they shall be paid on the same basis. Example - If two men are assigned to work on a rear end job, one should not be paid on a flat rate basis and the other on an hourly basis.

Sub-Section A.

Effective July 1, 1984, where journeymen are hired on an hourly basis or are transferred to do Factory Warranty work or new car inspection work, they shall not be paid less than the journeyman hourly rate of \$12.35. Effective July 1, 1985, the hourly rate shall be increased to \$12.95. Effective July 1, 1986, the hourly rate shall be increased to \$13.55.

ART. IV - Cont'd.

Section 19. Method of Compensation. The method of compensation, be it flat rate or hourly, shall not be changed during the life of this Agreement unless a change is agreeable to the employees and the Union in writing.

ARTICLE V

HOURS OF WORK - GUARANTEES - OVERTIME

Section 1. Hours of Work. Forty (40) hours shall constitute a week's work, Monday to Friday inclusive. Eight (8) hours shall constitute a day's work. The work day shall begin at the Employer's regularly established starting time and shall not be changed from day to day in a guarantee work week. More than a regular scheduled work day or work week may be observed during rush periods and when service in the Employer's shop shall require same, subject to Section 3 of this Article. Employees shall not be forced to work on Saturdays, Sundays or Holidays, and by reason of refusing to work on Saturdays, Sundays or Holidays, they shall not be penalized in any way. The same conditions shall apply to night shift when night shifts shall be employed. Employee's lunch period shall be mutually agreed upon by the Employer and his employees in each individual shop.

Section 2. Guarantee

- (a) Effective July 1, 1984, journeyman working on incentive work shall be guaranteed \$440.00 for forty (40) hours Monday through Friday.

Effective July 1, 1985, such guarantee shall be increased to \$460.00 per week.

Effective July 1, 1986, such guarantee shall be increased to \$485.00 per week.

- (b) Effective July 1, 1984, semi-skilled employees working on incentive shall be guaranteed \$316.00 for forty (40) hours, Monday through Friday.

Effective July 1, 1985, such guarantee shall be increased to \$331.60 per week.

Effective July 1, 1986, such guarantee shall be increased to \$346.80 per week.

- (c) Apprentices working on incentive shall be guaranteed earnings for forty (40) hours times their hourly rate Monday through Friday.

(Cont'd.)

ART. V - Cont'd.
Section 2B - Guarantee

- (d) Employees working on hourly rate shall be guaranteed forty (40) times their hourly rate Monday through Friday.

Section 3. Overtime. One-half ($\frac{1}{2}$) the hourly rate established for each classification shall be added to employee's earnings for work performed over eight (8) hours in any one day and forty (40) hours in any one week or any work performed on Saturdays and/or Sundays. Holidays and days proclaimed holidays shall be paid for at double time. All employees working on the hourly rate shall receive overtime pay based on their hourly rate for their respective classification.

Section 4. Guarantees and Overtime Pay for Saturdays When Worked.

Incentive employees shall be guaranteed a minimum of four (4) hours work at time and one-half ($1\frac{1}{2}$) the regular hourly rate for their respective classifications. Hourly rate employees shall be guaranteed a minimum of four (4) hours work at time and one-half ($1\frac{1}{2}$) their respective hourly rate.

Double time shall be paid for Holidays when worked.

Incentive employees shall have one-half ($\frac{1}{2}$) the hourly rate for their respective classifications added to their earnings but in no case shall be paid less than their Saturday or Holiday guarantee as shown in the following example:

EXAMPLE:

The Journeyman hourly rate for the 1st year of the Agreement is \$12.35 per hour. They will receive \$12.35 per hour plus one-half ($\frac{1}{2}$) this amount (\$6.18) or a total of \$18.53 per hour, making a guarantee of \$74.12 for four (4) hours Saturday work.

Where an employee books three hours on a Saturday, he will be paid \$74.12 since \$40.35 plus (\$6.18 times 4 = \$24.72) is less than the guarantee of \$74.12.

Where an employee earns \$53.80 from his bookings on Saturday work, he will be paid \$53.80 plus (\$6.18 times 4 = \$24.72) or \$78.52.

- (a) No premiums or earnings for Saturday shall be used to make up the forty (40) hour guarantee.
- (b) In no case shall any employee coming under the jurisdiction of Automobile Mechanics Local No. 701 be forced to take time off for overtime worked. No employee shall take time off without the approval of the proper official of the Employer.

(Cont'd.)

ART. V - Cont'd.
Section 4
Guarantees and Overtime Pay for Saturdays
When Worked

(c) There shall be no overtime on overtime.

EXAMPLE:

Holiday Worked at Double Time

The journeyman hourly rate for the 1st year of this Agreement is \$12.35 per hour. They will receive \$12.35 per hour plus an additional \$12.35 or a total of \$24.70 per hour making a guarantee of \$98.80 for four (4) hours holiday work.

Where an employee earns \$40.35 from his bookings on a Holiday, he will be paid \$98.80 since \$40.35 plus \$12.35 times four (4) hours (\$49.40) is less than the guarantee of \$98.80.

Where an employee earns \$53.80 from his bookings on a Holiday, he will be paid \$53.80 plus \$12.35 times four (4) hours (\$49.40) or a total of \$103.20.

EFFECTIVE JULY 1, 1985, \$12.95 per hour will be used in the above example.

EFFECTIVE JULY 1, 1986, \$13.55 per hour will be used in the above example.

No premiums or earnings for holiday work shall be used to make up the forty (40) hour guarantee.

Section 5. It is mutually understood that the guarantee shall be increased proportionately with any increase in hours worked during the work week and that they shall be reduced proportionately when mechanics, bodymen, painters, apprentices and semi-skilled workers of their own accord or without the fault of the Employer (such as, fire, loss of power, etc.) shall not work a full week of forty (40) hours.

Section 6. It is further understood that the computation of the weekly guarantee to all incentive employees shall include credit for the estimated finished portion of any unbilled work in progress, and there shall be a separate work order for work done on Saturday and Holidays that was not finished the preceding day.

Section 7. Employees' weekly guarantee shall be reduced by one-fifth (1/5th) for each holiday listed and defined in Article VI, Section 1 of this Agreement that occurs during the work week, Monday through Friday.

(Cont'd.)

ART. V - Cont'd.
Section 7 - Sub-Section A

Sub-Section A

Where, with the Employer's permission, a majority of the employees covered by this Agreement, vote to take a day off without pay in order to extend the Holiday leave, the guarantee will be reduced by an additional one-fifth (1/5th) and the Union shall be notified of this.

Section 8. The guarantee shall be based upon the calendar week. This is to say that if a man reports for work on Monday and had not been notified not to report for work prior to the end of the employee's scheduled work shift of the previous work week, he shall be entitled to the guarantee in accordance with this Article.

An employee called back for work during any week in which he was laid off and who reports for work shall be entitled to the full week's guarantee in accordance with this Article. Employees subject to layoff in excess of one week may be called back during a given work week and shall be entitled to a pro-rata share of guarantee based on days worked.

ARTICLE VI

HOLIDAYS OBSERVED

Section 1. New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day and Employee's Birthday.

Any of the above holidays falling on Sunday, the following Monday shall be observed and paid for as such. Where any of the above holidays fall on days Monday through Saturday and by Federal proclamation are designated to be observed on a different day, the day so named shall become the observed holiday under the terms of this Agreement and paid for as such.

In addition to the above holidays, the last scheduled work day before Christmas Day (December 24th) and the last scheduled work day before New Year's Day (December 31st) shall be observed as paid holidays. (Where one of these holidays, December 24th and/or December 31st, falls on a Saturday or a Sunday, the last scheduled work day Monday through Friday shall be observed and paid for as such).

Employee Birthday. The employee may select any other day during the contract year to be off in lieu of his birthday. In selecting a substitute day, seniority preference will be followed. In no event shall the number of employees off on such substituted day exceed 10% of the employees in the bargaining unit in any given classification. The employee shall notify the Employer of his choice at least two (2) working days prior to taking off such substituted day. The employee

(Cont'd.)

ART. VI- Cont'd.
Holidays Observed
Section 1 - Employee Birthday

shall receive this Birthday pay the pay week in which his birthday falls, even though a substitute day to be taken off is chosen. There shall be no premium pay for working one's birthday when a substitute day has been chosen.

Where a holiday falls on a Saturday, the previous day may be observed and paid for as such if agreed between all employees in the bargaining unit and the Employer, in writing.

Section 2. Holiday Pay. When any one of the above-mentioned holidays falls within or is observed during the work week (Monday through Friday), mechanics, bodymen, painters, apprentices and semi-skilled workers working on the incentive basis will be paid eight (8) times the hourly rate for their respective classification for that day. Also, mechanics, bodymen, painters, apprentices and semi-skilled workers regularly employed on an hourly rate, holiday pay shall be computed on the basis of eight (8) times their respective hourly rates, provided however, that the employee works his scheduled work day Monday through Friday immediately before and immediately after each such holiday respectively unless excused by the Employer. Holiday pay shall be added to their reduced guarantees as defined in Article V, Section 7. This holiday pay shall not be used to make up such guarantee.

Where a holiday falls on a Saturday, employees shall be paid eight (8) times the applicable hourly rate in addition to his full week's guarantee or earnings whichever is greater.

Section 2A. Act of God. In the event of a significant crisis, not the direct fault of the Employer the double time provisions of this Agreement shall not prevail providing the employees involved are notified of this fact before performing these duties.

Section 3. Holiday Worked. Where work is performed on any of the Holidays named in Section 1 of this Article VI, the Holiday pay be added to the employee's earnings, guarantees and overtime pay, as outlined in Article V, Section 4.

Section 4. Holiday Falling Within a Vacation. Where an employee takes his vacation at a time when one of the holidays specified in this Agreement falls, he shall receive an extra day's pay (as specified in Section 2 of this Article), or an extra day off with such pay. The employee shall notify the Employer of his choice at the time he goes on vacation.

ARTICLE VII

VACATIONS

Section 1. The vacation period shall be from May 1st to October 1st of any year and vacations shall be chosen according to seniority in accordance with Article III unless by agreement between the Employer and his employees another method is pursued. The regular vacation periods of employees may be switched by mutual agreement between the employee and the Employer. Vacations may be chosen at times other than between May 1st and October 1st if agreeable to the Employer.

Section 2. Bodymen, painters, mechanics, apprentices and semi-skilled workers who shall have been in the continuous active employ of the Employer for less than one (1) year as of May 1st of any year during the life of this Agreement, shall be entitled to a vacation allowance with pay of 3-1/3 hours for each month of employment prior to the current May 1st. Such employee shall not be entitled to vacation allowance or vacation pay under this Section until he has been employed for six (6) months.

EXAMPLE: Employees date of hire - February 1, 1984.
February 1, 1984 to May 1, 1984 = 3 months.
3 months x 3-1/3 hours = 10 hours earned vacation.
10 hours x \$12.35 = \$123.50.

Employees who shall have been in the continuous active employ of the Employer for more than one (1) year but less than two (2) years as of May 1st of any year during the life of this Agreement shall be entitled to one (1) week's vacation with pay in addition to the pro-rata share the employee received the prior May 1st.

Employees who shall have been in the continuous active employ of the Employer for two (2) years as of May 1st of any year during the life of this Agreement shall be entitled to two (2) weeks vacation with pay.

Employees who shall have been in the continuous active employ of the Employer for eight (8) years shall be entitled to three (3) weeks vacation with pay.

Employees who shall have been in the continuous active employ of the Employer for fifteen (15) years as of May 1st of any year during the life of this Agreement shall be entitled to four (4) weeks vacation with pay.

Any third and/or fourth week of vacation shall be taken during the vacation period at a time mutually agreeable to the employee and the Employer.

"Continuous active" employment shall be defined as in accordance with Article III, Section 4.

(Cont'd.)

ART. VII - Cont'd.
Vacations

Sixteen (16) calendar days of service in the employee's first or final month of employment will be counted as a full month of service for the purpose of this Article. Time spent on vacation or Holiday shall be considered as time in service.

Section 3. Layoff - Pro-Rata Vacation Pay. It is not required that the Employer shall give any notice to an employee being laid off other than being notified not later than the end of the employee's scheduled work shift on Friday of any week not to report for work the following week or weeks. He shall not receive compensation of any kind for the week of his absence from work. However, should the employee wish to decide at the time of layoff to quit rather than be subjected to such layoff, he shall be paid his regular vacation pay (as provided for in Section 2 of this Article), plus his pro-rata vacation pay, i.e. that which he has accumulated since the last May 1st preceding his quitting. When and if he returns to employment his status shall be that of a new employee.

Section 4. When an employee severs employment with the Dealer for any reason, he shall be paid his regular vacation pay plus any accumulated pro-rata vacation pay at the time of leaving. This accumulated vacation benefit shall be computed on the basis of one-twelfth (1/12th) of the vacation benefit such quitting employees would have been eligible for on the next May 1st for every month of service since the last May 1st. Such employee must have been employed for at least six (6) months to be eligible for pro-rata vacation pay. Such vacation pay shall be payable no later than the Dealer's next regular pay day.

Further Examples Being:

- (a) Any employee who would have attained two (2) full years of service as of the next May 1st shall be entitled to pro-rata vacation pay computed on the basis of 6-2/3 hours per month of service since the last May 1st times the employee's specified vacation pay hourly rate in addition to his earned vacation pay if not previously taken since the last May 1st.

ART. VII - Cont'd.
Section 4

- (b) Any employee who would have attained eight (8) full years of service as of the next May 1st shall be entitled to pro-rata vacation pay computed on the basis of 10 hours per month of service since the last May 1st times the employee's specified vacation pay hourly rate in addition to his earned vacation pay of two (2) weeks if not previously taken since the last May 1st.
- (c) Any employee who would have attained fifteen (15) full years of service as of the next May 1st shall be entitled to pro-rata vacation pay computed on the basis of 13-1/3 hours per month of service since the last May 1st times the employee's specified vacation pay hourly rate in addition to his earned vacation pay of three (3) weeks if not previously taken since the last May 1st.

Note: - Vacation pay and pro-rata for all incentive employees shall be computed using the journeyman's hourly rate.

Section 5.

The Employer has the right to discharge any employee found to be unsatisfactory by the Employer subject to Article I and VIII of this Agreement. Any employee discharged for any reason will receive any vacation pay earned. Employees who are permanently laid off or whose employment is terminated, shall be entitled to their regular and pro-rata vacation allowance. It is mutually understood however, that discharge for cause shall be subject to the joint examination of the Employer and the Union according to the complaint procedure of this Agreement, and if the Employer and the duly constituted official of the Union cannot agree, the matter shall be referred to arbitration in accordance with Article VIII of this Agreement.

Section 6. Vacation Pay. Vacation pay for mechanics, bodymen, painters, apprentices and semi-skilled workers working on the incentive basis is as follows:

Effective May 1, 1984

Vacation Pay for 1984 = 40 hours x \$12.35 or \$494.00 per Week.

Effective May 1, 1985

Vacation Pay for 1985 = 40 hours x \$12.95 or \$518.00 per Week.

Effective May 1, 1986

Vacation Pay for 1986 = 40 hours x \$13.55 or \$542.00 per Week.

ART. VII - Cont'd.
Section 6 - Vacation Pay

Vacation pay for all hourly rated employees shall be computed on the basis of forty (40) hours per week times their regular hourly rate of pay.

Note: - Where a holiday is observed in an employee's vacation period, refer to Article VI, Section 4.

Where an employee takes his vacation after the May 1st cutoff date but before the new contract provisions are effective, he shall be given a vacation on the basis of the new contract provisions up or down.

In computing earned vacation pay, time spent away from work due to a personal leave of absence shall be deducted on a pro-rata basis from vacation pay entitlement.

Section 7. Beneficiary. It is agreed that vacation pay will be paid to all employees before they take their vacation, also that a vacation schedule shall be posted by the Employer not later than May 1st of each year. It is also agreed that where an employee dies his designated Union Welfare beneficiary will be paid any vacation pay including his pro-rata share due him.

Section 8. Sale of Dealership. When and if the Employer shall sell or transfer his business to new ownership he shall be obligated to his employees for all accumulated vacation pay and other benefits of employment up to the time of sale or transfer. The new employer shall be obligated for all accrued seniority and benefit provisions of the Bargaining Agreement as of the date of assumption of ownership and providing for full continuity of employment.

The Employer is prohibited from transferring or selling all or any part of his business if it in any way violates this agreement or any existing laws.

ARTICLE VIII

COMPLAINTS

Section 1. Should complaints arise between the Employer and his employees in the classifications covered by this Agreement, either individually or collectively, which shall be confined to the meaning and application of the provisions of this Agreement; they shall be settled at the earliest possible time by the use of the following procedures:

(Cont'd.)

ART. VIII - Cont'd.
Section 1 - Complaints

STEP ONE

The employee himself, shall present the matter in dispute for settlement to the Employer or the latter's authorized representative and at the same time shall notify the Union not later than thirty (30) days following the occurrence of the matter causing the dispute. If this is not done the complaint shall not be valid. If the parties are not able satisfactorily to adjust the complaint within a reasonable time, then

STEP TWO

The complaint shall be taken up by the Union's representative and the Labor Committee of the individual Employer Line having an Agreement with Automobile Mechanics Local No. 701, IAM&AW. This shall be done within ten (10) days from the time the complaint is presented to the Employer or his authorized representative.

STEP THREE

If the complaint is not settled in the second step within a period of fifteen (15) days time, such complaint shall, at the request of either party, be submitted to arbitration. In the event the parties are unable to agree upon the arbitrator they shall jointly request the American Arbitration Association to appoint such arbitrator. Arbitration hearings shall be commenced as soon as convenient after the selection of said arbitrator. Each party shall pay one-half the expense of the arbitrator and the arbitration proceedings. The decision of the arbitrator shall be final and binding upon all parties concerned and shall be rendered not later than ninety (90) days from the established date of the complaint. The arbitrator shall not have the power or authority to add to, subtract from, amend, modify, change, or vary the terms of this Agreement.

Section 2. A duly constituted representative of the Union shall be permitted access to the Employer's premises for the purpose of adjusting complaints individually or collectively.

ARTICLE IX

STRIKES AND LOCKOUTS

Section 1. In consideration of Article VIII, Section 1, it is mutually understood and agreed that no strikes, lockouts, slowdowns or other stoppages of work shall take place during the life of this Agreement. Where either party refuses to abide by Article VIII, Step 3, by failing to agree to arbitration within fifteen (15) days after Step 2 of Article VIII, this Article shall not apply.

(Cont'd.)

ART. IX - Cont'd.

Section 2. - Strikes and Lockouts

Section 2. It shall not be a violation of this Agreement and it shall not be cause for discharge or disciplinary action in the event an employee refuses to go through or work behind a picket line which has been authorized or sanctioned by Local No. 701, International Association of Machinists and Aerospace Workers, and the Teamsters' Joint Council No. 25, I.B.T.

Section 3. It shall be a violation of this Agreement for employees of Automobile Dealers represented by the above Unions to refuse to go through or work behind a picket line authorized by any Union other than Local No. 701, IAM&AW, and the Teamsters' Joint Council No. 25, I.B.T.

Section 4. Notwithstanding any other provision of this Agreement to the contrary, if the Employer fails or refuses to remit the monthly Health & Welfare Fund or Pension Fund contributions herein provided within twenty (20) days after a Notice of Delinquency is mailed to the Employer via Certified Mail by the Administrator of the Health & Welfare and Pension Funds, then in such event, the Union, without the necessity of giving any further notice, shall have the right to strike or take such other legal action as it shall deem necessary or appropriate during the period that any delinquency shall continue, and it is further agreed that in the event any such action is taken by the Union, the Employer shall be responsible to the employees for any loss of any Health & Welfare or Pension benefits resulting therefrom.

Section 5. Notwithstanding any other provision of this Agreement to the contrary, if the Employer fails or refuses to remit to the Union the dues and initiation fees which the Employer has been authorized to deduct as provided in Article I, Section 3, within twenty (20) days after a notice of delinquency is mailed via Certified Mail to the Employer by the Union, then in such event, the Union without the necessity of giving any other or further notice, shall have the right to strike or take such other legal action as it shall deem necessary or appropriate during the period that any delinquency shall continue.

Section 6. The Union shall not have the right to strike, as herein provided, if the Employer notifies the Union and where Pension and/or Health & Welfare contributions are involved, also notifies the Administrator of each Fund, in writing, that a dispute exists concerning the amount of or liability for such contributions or remittances and the Employer agrees to and does commence to avail themselves of the complaint procedure as specified in Article VIII thereof. When the complaint has progressed to Step 3 of the complaint procedure, and in the event the Employer refuses arbitration of the issue, then this Section 6 shall be null and void and the Union shall have the right to strike as hereinabove provided.

ARTICLE X

EMPLOYEE RESPONSIBILITY

It is mutually understood and agreed that no employee shall be permitted to perform repair work for compensation away from the premises of the Employer (unless the employee is requested to do so by the Employer or his authorized representative) and that any employee who does so may be subjected to discipline by the Employer. It is further understood and agreed that no employee may work on his own car or on any other employee's car on the premises of the Employer unless a Repair Order covering such work is properly issued. When a Repair Order shall be properly issued, the price to be charged for the work and the material involved shall be determined by the Employer.

The Union agrees to do all in its power to maintain the efficient performance of its members and to remind them of their obligation to the Employer and to the customer.

Employees are required to keep stalls and benches, where used, reasonably clean and presentable.

ARTICLE XI

HEALTH AND WELFARE FUND

\$29.00 per Week - Effective July 1, 1984.

The Employer will contribute the sum of \$29.00 per week for each employee covered by this Agreement to the Union's Health and Welfare Fund; payment to be made not later than the 10th of the following month, on the following basis:

- (a) The amount of \$29.00 per employee per week shall be contributed by the Employer for each employee covered under the collective bargaining agreement for any week in which such employee performs any service for the Employer. This shall apply to new employees from the date of hire.
- (b) The obligation to make the above contribution shall continue during periods when the employee is not performing a direct service for the Employer due to fringes outlined in this Agreement, examples: vacation, jury duty, etc.
- (c) If an employee is absent because of non-occupational illness or injury the Employer shall continue to make the required \$29.00 contribution for a period of thirteen (13) full weeks.

(Cont'd.)

ART. XI - Cont'd.
Health & Welfare Fund

- (d) If an employee is absent because of occupational illness or injury, the required \$29.00 contribution shall be made until the employee returns to work or for a period of twenty-six (26) weeks, whichever period is the shorter.
- (e) All leaves of absence when granted by the Employer shall be conditioned upon the Employer and the employee making satisfactory arrangements for the employee paying the \$29.00 weekly contribution to the Health & Welfare Fund, and the transmittal of the employee's payment shall be made by the Employer for the period of such granted leave of absence.
- (f) The employee and the Employer may continue any life insurance in excess of the Union's plan currently in effect by agreement between them on the present basis, if the employee and the Employer so desire.

EFFECTIVE JULY 1, 1985. the Health and Welfare Fund contribution rate shall be increased to \$21.00 per week for each employee and all references to the \$29.00 amount stated above shall be changed to \$31.00.

EFFECTIVE JULY 1, 1986 the Health and Welfare Fund contribution rate shall be increased to \$32.00 per week for each employee and all references to the \$31.00 amount stated above shall be changed to \$32.00.

ARTICLE XII

PENSION FUND

\$23.00 per Week - Effective July 1, 1984

The Employer will contribute the sum of \$23.00 per week for each employee covered by this Agreement to the Pension Fund of the Automobile Mechanics Local No. 701. Payments shall be made so as to reach the Pension Fund office not later than the 10th of the following month. (For example - the November payment shall be made not later than December 10th). The Fund shall in all respects be administered in accordance with the Trust Agreement drawn.

The Pension Plan shall be administered by the Board of Trustees composed of an equal number of Employer Trustees and Union Trustees. Employer Trustees to be made up of those groups paying into said Pension Fund.

(Cont'd.)

ART. XII - Cont'd.
Pension Fund

The Employer's liability and method of payment is limited as follows:

- (a) The amount of \$23.00 per week per employee shall be contributed for each employee covered under the collective bargaining agreement for any week in which such employee performs any service for the Employer even when performing emergency service outside of the bargaining unit because of illness or vacation replacement in the Employer's establishment. This shall apply to new employees from the date of hire.
- (b) If an employee is absent because of non-occupational illness or injury, the Employer shall continue to make the required \$23.00 contribution for a period of thirteen (13) full weeks.
- (c) If an employee is absent because of occupational illness or injury, the required \$23.00 contribution shall be made until the employee returns to work or for a period of twenty-six (26) weeks, whichever period is the shorter.
- (d) Where an employee is absent from work and is presumed to be off sick or injured, such sickness or injury not incurred in his regular employment, the Employer shall not be required to continue to make the \$23.00 contribution for said employee for a period of thirteen (13) weeks as stated in this agreement, unless said employee is being paid for under Local No. 701 Welfare Plan with the required Doctor's certificate stating said employee is sick or injured and is under Doctor's care. The employer shall inquire as to the circumstances in each individual case.
- (e) Where an employee takes time off on his own other than his regular vacation, the Employer shall not be obligated for Pension Fund payments for the week/weeks such employee is absent from work.
- (f) The obligation to make the above contribution shall continue during periods when the employee is not performing a direct service for the Employer due to fringes outlined in this Agreement, such as, vacations, jury duty, etc.

EFFECTIVE JULY 1, 1985, the Pension Fund contribution rate shall be increased to \$24.00 per week for each employee and all references to the \$23.00 amount stated above shall be changed to \$24.00.

EFFECTIVE JULY 1, 1986, the Pension Fund contribution rate shall be increased to \$26.00 per week for each employee and all references to the \$24.00 amount stated above shall be changed to \$26.00.

ARTICLE XIII

MANAGEMENT RESPONSIBILITY

Section 1. It is mutually understood and agreed that nothing in this agreement shall deprive the Employer of full responsibility for the operation of his business, including the authority to hire, promote, transfer, discipline or discharge, to give merit increases and to enact plant policies, plant rules and regulations which are not in conflict with the terms of this agreement.

Section 2. Warning Notices. Except where employees are discharged for theft, drunkenness, use of illegal drugs on the job site, refusal to do work for which they were employed or for other reasons mutually agreed to between the Employer and the Union, employees will be given at least two (2) written "warning notices" with a copy to the Union before they are discharged. These accumulated notices shall not carry over from one calendar year to another.

Section 3. Discharge. It is understood that employees who are discharged will be told of this fact at the time they are discharged. The Employer will also notify the Union in all cases where an employee is discharged. The Employer will notify the Union in advance of such discharge when in his judgement this is possible or desirable. This is not to be construed to mean that the Employer does not have the right to discharge an employee without prior notice to the Union. It only means that if the situation is such that the Employer may consistently do so, he will inform the Union before taking such action.

Section 4. Sub-Contracting - Closing a Department. It is understood that the Employer may continue to sub-contract (let out) work which he has customarily sub-contracted and any work which he determines to sub-contract in the future during the term of this agreement. It is understood that such sub-contracting will not be done if this would cause any of the Employer's employees, who are available and capable of doing the work, to be idle because of such sub-contracting. This does not mean that the Employer may not close a department of his service activity and lay off men who worked in that department according to the seniority provisions of this agreement if he determines that continuing to operate that department is not economically feasible. Where the Employer decides to close a department he will give at least thirty (30) days written notice to the men who normally work in that department. Where this is not done, the Employer shall pay the employee or employees guarantee for the thirty (30) days following such closing or portions thereof if less than thirty (30) days notice is given.

Section 5. The Employer shall be responsible for providing proper equipment in order to maintain safety standards under Illinois law. Employees shall conform to reasonable safety standards as prescribed by OSHA.

Section 6. Uniforms. The Employer will bear one-half ($\frac{1}{2}$) of the actual expense of coveralls or uniforms up to and including three (3) changes per week. The Employer will assume all the expense for additional changes above three (3) where he requires the men to use more than three.

(Cont'd.)

ART. XIII -. Cont'd.
Management Responsibility

Section 7. Employees required to perform jury duty service shall be paid the regular hourly rate for their classification for time so spent provided they endorse their jury duty paycheck and turn it over to the Employer as proof that they have served on a jury. Jury duty pay for any employee will be limited to a maximum of four (4) weeks in any one contract year.

Section 8. Funeral Leave. Where an employee's spouse, child, sister, brother, mother, father, mother-in-law, father-in-law or legal guardian of the employee dies, the employee shall be given up to a maximum of three (3) days off from work with pay ending the day of the funeral (Monday through Friday) if he desires same. A day's pay for the purpose of this provision shall not exceed eight (8) hours times the hourly rate for his respective classification.

ARTICLE XIV

TOOL INSURANCE

Section 1. The Employer shall maintain an insurance policy or assume the cost risk for loss or damage of employee's personal tools and/or tool box or boxes on the Employer's premises. If such personal tools and/or tool box or boxes are lost or damaged due to fire, known theft or destruction, the Employer's liability for such loss or damage shall not exceed the actual replacement cost of the loss or damage. The employee shall exercise reasonable care in the safeguarding of his personal tools and shall conform to reasonable rules established by the Employer to provide for safeguarding of such employee's tools. The Employer or insurer shall not be liable for reimbursement to the employee for such loss where the replacement cost of the tool/tools does not exceed fifty dollars (\$50.00). (This is not to be misconstrued as a \$50.00 deductible clause.)

Example: Where tool loss if \$50.00 or less the employee is not reimbursed for any loss. Where tool loss if \$50.01 or more, employee is reimbursed \$50.01 or more for loss.

Section 2. For employees to be covered under this Article it is understood that each employee must furnish the Employer with a complete inventory of his personal tools, subject to verification by the Employer and must keep such inventory current. It is recommended the employee retain a copy of such inventory for his own protection. Such tool loss coverage shall be provided to a maximum of \$8,000.00 per employee.

Section 3. The Employer is requested to post a notice (time clock or bulletin board) advising present and future employees coming under Local No. 701 jurisdiction that tool insurance is a part of this labor agreement providing the employee turns in an inventory.

ARTICLE XV

MANPOWER

Where the total gross productivity of all incentive mechanics employed by the Employer to perform work in the Employer's mechanical department should drop below an average of forty-five (45) productive hours in a forty (40) hour work week, Monday through Friday, the Employer shall not increase the work force in such affected departments. The same shall also apply to the paint and/or body shop. Such average to be computed over a period of thirty (30) days beginning the first of any month. If the Employer and the Union cannot agree, the same shall be considered as a grievance and be subject to Article VIII of this Agreement.

ARTICLE XVI

INDIVIDUAL NEGOTIATING

An Employer and any of his employees shall not enter into any agreement or contract that is contrary to this Agreement without the approval of the Employer and the Union, in writing.

ARTICLE XVII

COMPENSATION CLAIMS

An employee who is injured on the job and is sent home or to a hospital or clinic, shall receive pay at the applicable hourly rate for all hours absent from his regular shift on that day.

ARTICLE XVIII

GOOD FAITH CLAUSE

It is mutually agreed that the subjects set forth in this agreement constitute the complete agreement between the Employer and the Union and that neither will request bargaining on any subject during the life of this Agreement.

ARTICLE XIX

ADJUSTMENT OF PAYMENTS OVER AGREEMENT

It is mutually understood and agreed that if the Employer is paying rates or providing benefits in excess of those specified in this Agreement, such wages and/or benefits shall not be reduced by reason of the execution of this Agreement and such excess wages and/or benefits shall not be reduced for employees who have received such wages and/or benefits for the life of this Agreement.

ARTICLE XX

SAVINGS CLAUSE

If any provision of this Agreement is or shall be in contravention of the laws or regulations of the United States or of the State of Illinois, such provisions shall be null and void, but all other provisions of this Agreement shall continue in full force and effect and both parties to this Agreement agree to discuss any Article or Section of this Agreement so affected. In the event that any governmental agency disallows any part of this Agreement, it is agreed that should that agency and its rules and regulations subsequently be dissolved during the life of this Agreement, such items as were disallowed by that agency shall be reimplemented effective on the date of the dissolution of that agency and its rules and regulations.

ARTICLE XXI

DURATION OF AGREEMENT

THIS AGREEMENT shall continue in full force and effect from July 1, 1984 to and including June 30, 1987. Notice of a desire by either party to modify or terminate this Agreement shall be given at least sixty (60) days prior to the expiration date hereof. In the event that notice is not given by either party within the above time, then the Agreement shall continue from year to year according to its original terms.

Dated at Chicago, Illinois this ____ day of _____, 198__.

EMPLOYER:

BY: _____

UNION:

AUTOMOBILE MECHANICS LOCAL NO. 701
IAM&AW., AFL-CIO

Donald D. Gustafson
Donald D. Gustafson, Pres., Bus. Mgr.

DATED: 7/1/84



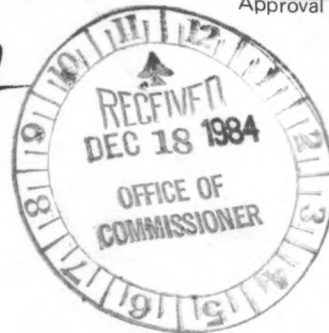
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DECEMBER 7, 1984

This report is authorized by law 29 U.S.C. 2.
Your voluntary cooperation is needed to make
the results of this survey comprehensive,
accurate, and timely.

Form Approved
O.M.B. No. 1220-0001
Approval Expires 7/31/87

DEC 21 1984



PRESIDENT BUSINESS MANAGER
INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS
133 SOUTH ASHLAND BOULEVARD
CHICAGO, IL. 60607

PREVIOUS AGREEMENT EXPIRED
JUNE 30, 1984

Respondent:

We have in our file of collective bargaining agreements a copy of your agreement(s):

Respective Chic Dtrs Assn & Indeps Chicago Ill WITH MACHINISTS
ILLINOIS

Would you please send us a copy of your current agreement—with any supplements (e.g., employee-benefit plans) and wage schedules—negotiated to replace or to supplement the expired agreement. If your old agreement has been continued without change or if it is to remain in force until negotiations are concluded, a notation to this effect on this letter will be appreciated.

I should like to remind you that our agreement file is open for your use, except for material submitted with a restriction on public inspection. You may return this form and your agreement in the enclosed envelope which requires no postage.

Sincerely yours,

Janet L. Norwood

JANET L. NORWOOD
Commissioner

PLEASE RETURN THIS LETTER WITH
YOUR RESPONSE OR AGREEMENT(S).

If more than one agreement, use back of form for each document. (Please Print)

1. Approximate number of employees involved 2,900
2. Number and location of establishments covered by agreement 289 CHGO AREA
3. Product, service, or type of business SALES - SERVICE AUTO
4. If your agreement has been extended, indicate new expiration date _____

A. Gustafson
Your Name and Position

Pres.

Area Code/Telephone Number

Address

City/State/ZIP Code